South Korea’s New Southern Policy: Will Its ‘Legacy’ Continue Under the Next Administration?

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The New Southern Policy (NSP) is considered one of President Moon Jae-in’s signature foreign policies, along with the New Northern Policy (NNP). It was implemented in November 2017 shortly following his inauguration to foster stronger diplomatic and economic ties with Southeast Asia and India, and consequently bolster South Korea’s independence in leading its foreign relations. Although it is difficult to measure the NSP’s success on a numerical scale, there are certain legacies that it has left for the future administration to consider adopting. And while leading presidential candidates Lee Jae-myung of the ruling Democratic Party of Korea and Yoon Suk-yeol of the conservative...
People Power Party have both publicly acknowledged the importance of Southeast Asia as a strategic partner for South Korea, their subsequent policies are likely to emphasize different priority agendas for cooperation going forward.

A key legacy of the NSP is the significance that South Korea attributed to Southeast Asia and India as strategic partners. The Moon administration’s base priorities included maintaining security on the Korean Peninsula, but the NSP helped South Korea diversify its strategic focus to pursue a more balanced foreign policy. While some argue that the policy’s purpose was to provide South Korea more leverage in engaging with North Korea, President Moon verbally confirmed his sincere intention of the NSP to “elevate Korea’s relationship with the ASEAN to the level of its relations with the four major powers around the Korean Peninsula.” The NSP itself may not be a novel effort taken by South Korea to strengthen relations with Southeast Asia, but President Moon still demonstrated various “firsts”—no South Korean president in the past had highlighted Southeast Asia as a top diplomatic priority to the same extent nor had traveled to all Southeast Asian nations during his or her presidency.

Another legacy of the NSP is that it aimed to diversify and incorporate a more multilateral agenda. This was most evident when the NSP was revamped into the NSP Plus in November 2020, following the outbreak of the Covid-19 pandemic. In addition to upholding the original pillars of the NSP—the three P’s including ‘people,’ ‘prosperity,’ and ‘peace’—the Moon administration expanded the NSP agenda to include more non-traditional initiatives including those related to global health, digital innovation, smart cities, and climate change. These efforts have helped to establish additional dialogue channels, including the ASEAN-ROK Dialogue on Environment and Climate Change which was held for the first time in September 2021. Overall, the NSP Plus symbolized the Moon administration’s efforts to internalize the pandemic’s difficulties into its existing foreign policy, instead of simply postponing engagements.

With such legacies, the NSP has been followed by numerous positive results. Diplomatically, South Korea has been working to elevate its relations with ASEAN from a “strategic partnership” to a higher level, as well as those with individual member states including Indonesia, whose bilateral relations with Seoul have been upgraded to a “special strategic partnership.” And despite the pandemic, the NSP has helped boost South Korea’s investments into Southeast Asia and led by 17 percent since its launch in 2017,
$111.9 billion in 2021. It is hoped that increased economic ties with ASEAN member states and India will provide South Korea an alternative market to China in regional and global supply chains, especially considering the continued U.S.-China geostrategic competition. And though some critics have pinpointed NSP’s limitations in embracing humanitarian concerns, other studies highlight positive effects in people-to-people relations between South Korea and Southeast Asia. According to the ASEAN-Korea Centre on mutual perceptions of ASEAN and South Korean youth, the percentage of ASEAN respondents who consider the state of ROK-ASEAN relations as positive increased from 76.2 percent in 2017 to 94.5 percent in 2021.

As discussed above, the NSP has both diplomatic and economic legacies for the next administration to consider adopting in its own foreign policy. Meanwhile, the NSP also faces major challenges in envisioning continued success. For one, its fate as an intact policy is uncertain as South Korea’s political history shows frequent reversals or rebranding’s of the previous administration’s policies by new leadership. Furthermore, as South Korea’s top priorities remain primarily centered on the North Korea threat—especially with Pyongyang’s missile testing being “its boldest in years” in 2022—as well as a range of domestic problems including the real estate bubble, discussions on specific foreign policy trajectories may be pushed to the sidelines until well into the new presidency.

Considering such circumstances, it is difficult to fully discern the two leading candidates’ specific versions of the NSP despite their fundamental policy preferences based on designated parties. Yet it is still possible to outline key differences based on their previous statements and experiences, policy camp constitution, and election pledges. In fact, while Lee Jae-myung and Yoon Suk-yeol have both publicly acknowledged the strategic significance of Southeast Asia for South Korea, there are slight variations in their respective scope of and approach to the proposed ROK-ASEAN bilateral cooperation agenda.

Lee Jae-myung stated in August 2021 that he aims to continue the Moon administration’s legacy by “expanding on” both the NSP and the NNP. He is also likely to demonstrate commitment towards the existing NSP due to his personal achievements. For example, during his former position as governor of the Gyeonggi Province, Lee contributed to the Moon administration’s Southeast Asia efforts by pioneering the province’s economic entry into ASEAN’s leading markets in May 2019. The Gyeonggi Province ASEAN Market Delegation also visited Thailand and Myanmar the same year to promote $1.99 million
worth of collaboration with provincial companies. In addition, rumors that Lim Sung-nam—South Korea’s former ambassador to the ASEAN—had stepped down from his position to join the Lee Jae-myung camp were recently validated as he was officially inaugurated as special advisor to the camp’s practical diplomacy committee. Considering his previous experience and proposed trajectory, it seems likely that Lee Jae-myung will maintain and utilize the Moon administration’s NSP as a critical backbone in outlining priority agendas and low-hanging fruits going forward.

Yoon Suk-yeol also emphasized the significance of ASEAN as an economic and strategic partner during a press briefing in January 2021, though without directly referencing the incumbent administration’s NSP. In general, Yoon seems more likely to reform the existing NSP unlike his opponent. For instance, his election pledges—including a list entitled “Yoon Suk-yeol’s Global Vision for a New Korea”—strive for differentiation by highlighting specific agenda items such as digitalization and cybersecurity cooperation in addition to broader ones including denuclearization of the Korean Peninsula. These goals are also apparent in his most recent pledge on foreign affairs and national security, which proposes the ‘ABCD’ strategy for approaching Southeast Asia and India: ‘Advance human capital,’ ‘build health security,’ ‘connect cultures,’ and ‘digitalize Asian infrastructure.’ While retaining certain aspects of the NSP including its ‘people’ pillar and global health initiatives, the ABCD strategy demonstrates alignment with the Yoon camp’s larger goals of digital and economic advancement. Overall, Yoon is more likely to create a new backbone for his own version of the NSP, draw out its effective aspects and arrange them accordingly with his newly defined strategy.

Apart from the general likelihood of the two candidates to adhere to the NSP, a key question for the future administration will be its ability to extend the policy to include not only economic, humanitarian and health engagements, but also regional security concerns. For instance, experts have pinpointed the existing NSP’s limited ability to address security concerns, raising the possibility that South Korea may have purposely excluded “sensitive political and security issues” from the NSP to prioritize development cooperation. Others have echoed such concerns noting that the ‘peace’ pillar of the NSP has been neglected in comparison with the ‘people’ and ‘prosperity’ pillars.

Though it is still early for the two candidates’ foreign policies to be fleshed out in their entirety, it seems more likely for the conservative camp to address and/or include further security agenda into the NSP. This is because in general, Yoon has been more active than
Lee in indicating willingness to partake in further minilateral and multilateral security
efforts. For instance, while Yoon has stated that he is looking to “consider formally
applying” for the Quadrilateral Security Dialogue (QSD or QUAD), Lee has been more
hesitant by stressing that “there is no need to decide the issue at the moment.” The Lee
camp’s reluctance to join QUAD or other security forums resonates with the larger
concerns of the progressives who are “more cautious about joining the Biden
administration in shifting to strategic competition with China.” As such, it is unlikely for Lee
Jae-myung to include security agendas in his adopted version of the NSP whereas Yoon
Suk-yeol looks to not only create a more distinguished strategy for engaging with
Southeast Asia and India but has also demonstrated more open-mindedness in
addressing security concerns amid continued U.S.-China geostrategic competition.

For now, the public can only posit the future of the NSP. Yet the proposed election pledges
and statements by the two leading candidates provide at least an initial overview of how
Moon Jae-in’s foreign policy legacies may or may not continue under the next
administration.

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Photo from the Blue House’s Twitter feed.

[1] The NSP emphasizes both Southeast Asia and India as important partners for South
Korea. For brevity, this blog focuses on the Southeast Asia aspect of the NSP.

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